DAVID Y. IGE GOVERNOR STATE OF HAWAII

JOSH GREEN LT. GOVERNOR STATE OF HAWAII



WILLIAM J. AILA, JR
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON HOUSING
HEARING ON MARCH 17, 2022 AT 9:00AM VIA VIDEOCONFERENCE

SB 879, SD1, RELATING TO COUNTIES

March 17, 2022

Aloha Chair Nakamura, Vice Chair Hashimoto, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) strongly supports this bill that gives counties jurisdiction over the infrastructure of DHHL housing developments in their boundaries under specified conditions and requires counities, under specific conditions, to commence maintenance on that certain infrastructure within sixty days. A similar measure was approved by the Hawaiian Homes Commission and included in the Governor's administrative package by request of our department. DHHL supports the House version of this bill, HB2134, HD1, that was previously heard and passed out of this Committee.

In addition to developing new homesteads, DHHL also has other critical, albeit lesser known responsibilities. Like a county, DHHL maintains and repairs existing infrastructure (e.g. clearing of flood channels and drainage, roads and facilities maintenance, sewer emergencies and repairs, etc.) Increasingly, this responsibility is demanding a greater share of DHHL's financial and staff resources to address.

In certain counties, the county has either not accepted portions of newer infrastructure, or has stopped performing needed repair. One example is sewer systems. Act 227, SLH 2014, clarified and confirmed that operating and maintenance of sewer systems is a county function. However, DHHL continues to maintain the sewer systems on Hawaiian home lands in the interim until Act 227 can be fully implemented in subdivisions completed after the mid-1990's. In addition, until roadways are turned over to the Counties for maintenance, DHHL continues to be responsible for major pavement repairs, maintenance of street trees, sidewalks, street lighting, signage and striping. Recently, various communities have requested traffic calming and speed abatement improvements, such as speed bumps, electronic signs, flashing beacons and crosswalk improvements.

Department of Hawaiian Home Lands SB 879, SD1 HSG, 3-17-2022 Page 2

In DHHL's sufficient sums budget request, the following Administrative and Operating Costs for Repair and Maintenance of Infrastructure on Hawaiian Home Lands financed through State General Funds are provided for the Legislature's consideration. DHHL is open to discussing and collaborating with the applicable County for repair and maintenance work that can be more efficiently and cost effectively implemented. In this manner, DHHL can concentrate its efforts and funds available on lot development and housing its beneficiaries. Below is DHHL's Sufficient Sums budget request for FY23.

| ISLAND | AREA or SUBDIVISION | MAINTENANCE | FY 2023 |
|--------|---------------------|--------------------------------------|-----------|
| Hawaii | Kawaihae | Water System Operation & Maint. | 120,000 |
| Hawaii | Laiopua Villages | Brush Clearing and Fire Breaks | 50,000 |
| Hawaii | Puukapu | Water System Operation & Maint | 255,000 |
| Kauai | Anahola | Water System Operation, Maint, Emerg | 75,000 |
| Kauai | Hanapepe | Fencing/Gate Install/Repair | |
| Kauai | PMKK and Anahola | Maintenance | 75,000 |
| Lanai | Lanai City | Maintenance | 75,000 |
| Maui | Kula | Maintenance | 200,000 |
| Maui | Lealii | Leialii Parkway Maintenance | 85,000 |
| Maui | Waiehu Kou | Detention Basins and Ditches | 125,000 |
| Maui | Waiehu Kou | Sewage Pump Station | 80,000 |
| Maui | Islandwide | Fencing/Gate Install/Repair | |
| Lanai | Lanai | Ground Maintenance | |
| Oahu | East Kapolei II | Detention Basins (2) | 30,000 |
| Oahu | Kapolei | Maluohai, Kaupea, Kanehili Maint | 75,000 |
| Oahu | Nanakuli | Princess Kahanu Road Repairs | 30,000 |
| Oahu | Oahu | Sewage Spill Response and Repair | 150,000 |
| Oahu | Oahu | Street Light Replacement | 375,000 |
| Oahu | Oahu | Scattered Location R&M | 1,200,000 |
| State | Statewide | Tree Maintenance/Control | 500,000 |
| Oahu | Waimanalo | Drainage Channel and Tree Trimming | 38,000 |
| Oahu | Waimanalo | Detention Basin | 30,000 |
| State | Statewide | Ground Maintenance | 500,000 |
| State | Statewide | Sign Replacement | 255,000 |
| | | TOTAL | 4,323,000 |

Also in DHHL's sufficient sums budget request, the following Administrative and Operating Costs for Repair and Maintenance of Infrastructure financed through State General Obligation Bonds are provided for consideration by the Legislature. Similarly, DHHL is open to discussing and collaborating with both the applicable County and State

Department of Hawaiian Home Lands SB 879, SD1 HSG, 3-17-2022 Page 2

agency for remediation, repair, maintenance and improvements of various infrastructure systems which can be more efficiently and cost effectively implemented. On the following page is DHHL's Sufficient Sums budget request for FY23, with emphasis on construction and remediation of existing improvements.

| AREA or SUBDIVISION | PROJECT COMPONENTS | FY 2023 |
|----------------------|---|------------|
| Hilo | Keaukaha Sewer Imp. – Masterplan/Cesspool | 1,000,000 |
| Ka'u | Ka'u Water System, Phase 2 | 1,000,000 |
| Puukapu | Roadway Improvements | 2,000,000 |
| Ka'u | Ka'u Water System, Phase 3 | 1,000,000 |
| Hilo | Keaukaha Road Imp. – Health & Safety | 1,500,000 |
| Puukapu | Puukapu Non-Potable Water System | 500,000 |
| Kawaihae | Kawaihae Water: Production, Storage & Trans. | 1,000,000 |
| Anahola | Anahola Dam & Reservoir Improvements | 500,000 |
| Kahikinui | Kahikinui Roadways | 1,000,000 |
| Keokea | Keokea Farm Lots Drainage System Imp. | 500,000 |
| Keokea-Waiohuli | Wastewater alternatives and feasibility study | 1,000,000 |
| Kalamaula | Kalamaula Water & Drainage System Imp. | 1,000,000 |
| Kalamaula & Kapaakea | Sea Level Rise Planning | 250,000 |
| Kalamaula/Kapaakea/ | Cesspool conversion | 2,000,000 |
| One Alii | | |
| Papakolea | Papakolea Sewer Improvements Phase 2 | 15,000,000 |
| Papakolea | Sewer Improvements – CM Services | 2,000,000 |
| Waimanalo | Waimanalo Bell Street Drainage Improvements | 1,000,000 |
| Waimanalo | Waimanalo Dirt Drainage Channel Imp, Phase 1 | 3,000,000 |
| Waianae | Waianae Sewer Improvements | 3,400,000 |
| Nanakuli | Nanakuli Sewer Improvements | 3,000,000 |
| Waimanalo | Cesspool conversion | 2,000,000 |
| Waimanalo | Waimanalo Sewer Improvements | 3,000,000 |
| Nanakuli | Rehabilitation of School Seawall | 1,000,000 |
| | TOTAL | 47,650,000 |

Thank you for your consideration of our testimony.

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU 630 SOUTH BERETANIA STREET HONOLULU, HI 96843 www.boardofwatersupply.com



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ERNEST Y. W. LAU, P.E. Manager and Chief Engineer

ELLEN E. KITAMURA, P.E. Deputy Manager and Chief Engineer

The Honorable Nadine K. Nakamura, Chair and Members Committee on Housing House of Representatives Hawaii State Capitol, Room 423 Honolulu, Hawaii 96813

Dear Chair Nakamura and Members:

Subject: <u>Senate Bill 879, SD1: Relating to Counties</u>

The Honolulu Board of Water Supply (BWS) submits the following comments on Senate Bill (SB) 879, Senate Draft (SD) 1, which requires the counties to maintain infrastructure for any housing development for the Department of Hawaiian Homes lands within a specified time and under certain conditions.

The BWS already maintains waterlines for DHHL subdivisions when water infrastructure is built to BWS standards and dedicated to BWS for maintenance. Main breaks are repaired immediately to reduce water loss and disruptions of water service.

The BWS is a semi-autonomous City department that is responsible for Oahu's critically important municipal (i.e., City-owned) drinking water supply systems island-wide. It is governed by a 7-member Board that is appointed by the Mayor and affirmed by the City Council. It was established to be financially self-sustaining depending primarily on revenue from water rates and charges, and not dependent on tax revenue. The single-focused Board has the authority to conduct long-range planning, approve the operating and capital improvement project (CIP) budgets, set policies for the department and to adopt water rates and charges without the City Council's approval.

The BWS is working well as a municipal water utility, providing safe, dependable, and affordable water to our community.

Thank you for your consideration of our testimony.

Very truly yours,

ERNESTY. W. LAU, P.E. Manager and Chief Engineer



Environmental Caucus of The Democratic Party of Hawaiʻi

To: The Honorable Nadine K. Nakamura, Chair

The Honorable Troy N. Hashimoto, Vice Chair

Committee on Housing

Re: SB 879 SD 1 RELATING TO COUNTIES

Hearing: Thursday, March 17, 2022, 9:00 a.m., Conference Rm. 423 & via

videoconference

Position: <u>Strong Support</u>

Aloha, Chair Nakamura, Vice Chair Hashimoto, and Members of the Committee on Housing:

The Environmental Caucus of the Democratic Party of Hawai'i strongly supports SB 879 SD 1. This bill would give counties jurisdiction over the infrastructure of the Department of Hawaiian Home Lands housing developments in their boundaries under specific conditions. This bill would require counties, under specific conditions, to commence maintenance on that certain infrastructure within sixty days.

We also recognize that one of the most serious barriers to distribution of house lots under the Hawaiian Homelands program has been the lack of suitable infrastructure to serve those properties – water, sewer, roads, and electricity primarily. This bill attempts to address this barrier by requiring the Counties to ensure that such infrastructure is properly maintained.

Infrastructure is long overdue and badly needed for the Hawaiian community on Hawaiian Home lands and it would be highly beneficial that the counties assist in its maintenance. Please pass this measure.

Mahalo for the opportunity to testify,

Co-Chairs,

Melodie Aduja

Alan Burdick

Environmental Caucus of the Democratic Party of Hawai`i

Email: legislativepriorities@gmail.com